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**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

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| Order Instituting Rulemaking to Develop an Electricity Integrated Resource Planning Framework and to Coordinate and Refine Long-Term Procurement Planning Requirements. | Rulemaking 16-02-007 |

# ADMINISTRATIVE LAW JUDGE'S RULING ALLOWING UPDATED LOAD FORECASTS

## Summary

This ruling provides a window of opportunity for non-utility load-serving entities (LSEs) to update their expected load forecasts out to 2030, for purposes of their individual integrated resource plans (IRPs) set to be filed May 1, 2020.

Non-utility LSEs that wish to do so may file and serve their annual load forecasts between 2021 and 2030 in comments in response to this ruling by no later than February 7, 2020. Any other party wishing to respond may file and serve reply comments no later than February 21, 2020.

## 1. Background

This proceeding has, in the past, relied upon the public load forecasts for individual LSEs prepared by the California Energy Commission (CEC) staff and which are a disaggregation of investor-owned utility (IOU) planning area forecasts adopted as part of the Integrated Energy Policy Report (IEPR). These LSE forecasts reflect trends in the overall planning area, but are adjusted to reflect near-term load migration which can be expected based on historical sales

data and recent implementation plans. The CEC's 2019 IEPR load forecast was adopted on January 22, 2020.

As was the case prior to the filing of the individual IRPs in 2018, there may be some new LSEs who may be serving load as soon as 2021, but because implementation plans were not available during the 2019 IEPR cycle, are not explicitly itemized in the IEPR forecast. In addition, some other LSEs may be planning for a service expansion or contraction, relative to their initial plans, and may need to provide an updated load forecast as part of their IRP filing.

For IRP purposes, the total load of all LSEs within an IOU planning area is considered fixed based on the adopted IEPR, and any other LSE load deviations are added/subtracted from the IOU's load share. To the extent that the load forecast of one non-IOU LSE moves up or down, there will be a corollary impact on the load forecast used by the incumbent IOU for IRP. This ensures that both system load and IOU planning area loads remain consistent with the IEPR.

The load forecasts, in addition to being the basis for the load the LSEs must plan for in their individual IRP filings, also are used as the basis for the greenhouse gas (GHG) benchmarks that individual LSEs are required to plan for in the IRP process.

## 2. Discussion

Commission staff and CEC staff are aware that there are data collection, timing, and forecast accuracy issues associated with the handoff between the IEPR load forecast and the IRP process. Staff are in ongoing discussions to identify ways in which this interaction could be improved for future IRP cycles. These discussions are likely to lead to process changes which will be proposed and vetted in either the IEPR or this proceeding, as appropriate.

In the meantime, for 2020 purposes, a process is needed to establish the load forecasts for all LSEs required to file IRPs on May 1, 2020. Such a process should account for load migration not reflected in the most recent IEPR forecast, but should also, for purposes of coordinated planning, yield LSE forecasts that add up, annually, to the total IEPR forecast for LSEs within the Commission's purview.

New LSEs beginning to serve load in 2020 or 2021 are most likely to be community choice aggregators, though it is also possible that there may be some electric service providers (ESPs) that do not have, or do not have an accurate, load forecast.

It is also Commission practice to treat individual ESP load forecasts as confidential, though the aggregate direct access load is public. In the past, individual ESPs have used their year-ahead resource adequacy forecasts and projected them forward to 2030 for IRP purposes, assuming no new load because direct access volumes have been capped.

In the end, for coordinated planning, all of the individual LSE load forecasts need to add up, annually, to the total IEPR load forecast for the Commission-regulated entities in the state.

To facilitate this load forecasting and planning process, all non-IOU LSEs are invited, but not required, to update their annual load forecasts by filing and serving them in comments in response to this ruling no later than February 7, 2020.

ESPs, to the extent they wish to update their confidential forecasts and deviate from their resource adequacy forecasts, may file their annual load forecasts under seal, differentiating the annual load forecasts by IOU service

territory. Commission staff will aggregate the individual ESP forecasts to form one direct access load forecast for each IOU service area.

Any party, including the IOUs, may file and serve reply comments to the load forecasts filed by individual LSEs, no later than February 21, 2020.

The Commission will then finalize the load forecasts, along with the GHG benchmarks, that each LSE should use as the basis for its individual IRP, most likely in a subsequent ruling.

**IT IS RULED** that:

1. Any load serving entity (LSE) that does not have a load forecast included in the 2019 Integrated Energy Policy Report (IEPR) load forecast, or any non-utility LSE wishing to update its load forecast included in the 2019 IEPR, shall file and serve an annual load forecast including years 2021 through 2030 in comments in response to this ruling by no later than February 7, 2020. Electric service providers may file their load forecasts under seal and must differentiate them by utility planning area.
2. Any party may respond to the load forecasts filed in comments on February 7, 2020 by filing and serving reply comments no later than February 21, 2020.

Dated January 24, 2020, at San Francisco, California.

/s/ JULIE A. FITCH
Julie A. Fitch
Administrative Law Judge